

## TAXATION

Table 200.-- Years of Benefits, Contributions, and Payrolls Used in Computing Rates  
by Type of Experience-rating formula, and Selected Experience-rating Provisions

| State | Reserve-ratio formula (33 States)    |  | Selected Experience-rating Provisions       |  |   |
|-------|--------------------------------------|--|---|--|---|
|       | Years of benefits used <sup>1/</sup> | Years of payrolls used <sup>2/</sup>     | Taxable wage base above \$7,000 (41 States) | Wages include remuneration over \$7,000 if subject to FUTA (41 States) | Voluntary contributions permitted (26 States) |
| AZ    | All past years.                      | Average 3 years. <sup>2/</sup>           | ****  | X  | X   |
| AR    | All past years.                      | Average last 3 or 5 years. <sup>3/</sup> | \$9,000                                     | X  | X   |
| CA    | All past years.                      | Average 3 years. <sup>2/</sup>           | ****  | ****   | X <sup>5/</sup>                               |
| CO    | All past years.                      | Average 3 years.                         | \$10,000                                    | X  | X   |
| DC    | All since July 1, 1939               | Average 3 years. <sup>2/</sup>           | \$9,000                                     | X  | ****  |
| GA    | All past years.                      | Average 3 years.                         | \$8,500                                     | X  | X   |
| HI    | All past years.                      | Average 3 years.                         | \$27,500                                    | X  | ****  |
| ID    | All since Jan. 1, 1940               | Average 4 years.                         | \$25,700                                    | ****   | ****  |
| IN    | All past years.                      | Aggregate 3 years                        | ****  | X  | X   |
| KS    | All past years.                      | Average 3 years. <sup>2/</sup>           | \$8,000                                     | X  | X <sup>5/</sup>                               |
| KY    | All past years.                      | Aggregate 3 years                        | \$8,000                                     | X  | X   |
| LA    | All since Oct. 1, 1941               | Average 3 years.                         | ****  | X  | X <sup>5/</sup>                               |
| ME    | All past years.                      | Average 3 years.                         | \$12,000                                    | X  | X   |
| MA    | All past years.                      | Last year.                               | \$10,800                                    | X  | ****  |
| MO    | All past years. <sup>1/</sup>        | Average 3 years.                         | **** <sup>7/</sup>                          | X  | X   |
| MT    | All years since Oct. 1, 1981         | Average 3 years.                         | \$18,200                                    | X  | ****  |
| NE    | All past years.                      | Average 4 years.                         | ****  | X  | X   |
| NV    | All past years.                      | Average 3 years.                         | \$20,300                                    | X  | ****  |
| NH    | All past years. <sup>1/</sup>        | Average 3 years.                         | \$8,000                                     | ****   | ****  |
| NJ    | All past years.                      | Average last 3 or 5 years. <sup>3/</sup> | \$22,100                                    | X  | X   |
| NM    | All past years.                      | Average 3 years.                         | \$15,200                                    | X  | X   |
| NY    | All past years.                      | Average 5 years. <sup>2/</sup>           | \$8,500                                     | X  | X   |
| NC    | All past years.                      | Aggregate 3 years.                       | \$13,900                                    | X  | X <sup>5/</sup>                               |
| ND    | All past years.                      | Average 3 years.                         | \$17,100                                    | X  | X   |
| OH    | All past years.                      | Average 3 years.                         | \$9,000 <sup>6/</sup>                       | X  | X   |
| PR    | Last 3 years                         | Last 3 years.                            | ****  | ****   | ****  |

(Table continued on next page)

## TAXATION

Table 200.-- Years of Benefits, Contributions, and Payrolls Used in Computing Rates  
by Type of Experience-rating formula, and Selected Experience-rating Provisions (Continued)

| State            | Reserve-ratio formula (33 States) (continued) |                                      | Selected Experience-rating Provisions       |  |   |
|------------------|---|--------------------------------------|---|--|---|
|                  | Years of benefits used <sup>1/</sup>          | Years of payrolls used <sup>2/</sup> | Taxable wage base above \$7,000 (41 States) | Wages include remuneration over \$7,000 if subject to FUTA (41 States) | Voluntary contributions permitted (26 States) |
| RI               | All since Oct. 1, 1958                        | Average 3 years.                     | \$12,000 <sup>6/</sup>                      | X  | ****  |
| SC               | All past years.                               | Last year.                           | ****  | X  | ****  |
| SD               | All past years.                               | Aggregate 3 years.                   | ****  | X  | X   |
| TN               | All past years.                               | Average 3 years.                     | ****  | X  | ****  |
| VI               | Last 3 years                                  | Last 3 years.                        | \$15,900                                    | ****   | ****  |
| WV               | All past years.                               | Average 3 years.                     | \$8,000                                     | X  | X   |
| WI               | All past years.                               | Last year.                           | \$10,500                                    | X  | X <sup>5/</sup>                               |
|                  | Benefit-ratio formula (17 States)             |                                      |   |  |   |
| AL               | Last 3 fiscal years.                          | Last 3 fiscal years.                 | \$8,000                                     | X  | ****  |
| CT               | Last 3 years.                                 | Last 3 years. <sup>2/</sup>          | \$15,000                                    | X  | ****  |
| FL               | Last 3 years.                                 | Last 3 years. <sup>2/</sup>          | ****  | X  | ****  |
| IL               | Last 3 years.                                 | Last 3 years.                        | \$9,000                                     | X  | ****  |
| IA               | Last 5 years.                                 | Last 5 years.                        | \$17,900                                    | X  | ****  |
| MD               | Last 3 years.                                 | Last 3 years. <sup>2/</sup>          | \$8,500                                     | X  | ****  |
| MI <sup>4/</sup> | Last 5 years.                                 | Last 5 years.                        | \$9,500                                     | X  | X   |
| MN               | Last 5 years.                                 | Last 5 years.                        | \$20,000                                    | ****   | X   |
| MS               | Last 3 years.                                 | Last 3 years.                        | ****  | X  | ****  |
| OR               | Last 3 years.                                 | Last 3 years.                        | \$25,000                                    | ****   | ****  |
| PA <sup>4/</sup> | Average 3 years.                              | Average 3 years.                     | \$8,000                                     | X  | X   |
| TX               | Last 3 years.                                 | Last 3 years.                        | \$9,000                                     | ****   | X   |
| UT               | Last 4 years. <sup>3/</sup>                   | Last 4 years. <sup>3/</sup>          | \$21,400                                    | X  | ****  |
| VT               | Last 3 years.                                 | Last 3 years.                        | \$8,000                                     | X  | ****  |
| VA               | Last 4 years.                                 | Last 4 years.                        | \$8,000                                     | ****   | ****  |
| WA               | Last 4 years.                                 | Last 4 years.                        | \$26,600                                    | ****   | X <sup>5/</sup>                               |
| WY               | Last 3 years.                                 | Last 3 years.                        | \$13,600                                    | X  | ****  |

(Table continued on next page)

Table 200.-- Years of Benefits, Contributions, and Payrolls Used in Computing Rates  
by Type of Experience-rating formula, and Selected Experience-rating Provisions (Continued)

## TAXATION

| State | Benefit-wage-ratio formula (2 States)        |                                      | Selected Experience-rating Provisions       |  |   |
|-------|--|--------------------------------------|---|--|---|
|       | Years of benefits used <sup>1/</sup>         | Years of payrolls used <sup>2/</sup> | Taxable wage base above \$7,000 (41 States) | Wages include remuneration over \$7,000 if subject to FUTA (41 States) | Voluntary contributions permitted (26 States) |
| DE    | Last 3 years.                                | Last 3 years.                        | \$8,500                                     | X  | ****  |
| OK    | Last 3 years.                                | Last 3 years.                        | \$10,100                                    | ****   | ****  |
|       | Payroll-decline formula, quarterly (1 State) |                                      |   |  |   |
| AK    | *****  | Last 3 years.                        | \$25,500                                    | ****   | ****  |

<sup>1/</sup> In reserve-ratio States years of contributions used are same as years of benefits used. Or last 5 years, whichever is to the employer's advantage, MO; or last 5 years under specified conditions, NH.

<sup>2/</sup> Years immediately preceding or ending on computation date. In States noted, years ending 3 months before computation date, DC, FL, MD, and NY or 6 months before such date, AZ, CA, CT, and KS.

<sup>3/</sup> Whichever is lesser, AR; whichever is higher, NJ. Employers with 3 or more years' experience may elect to use the last year, AR. If 4 years not available, UT will use less up to 1 year minimum.

<sup>4/</sup> Formula includes reserve ratio, MI and PA.

<sup>5/</sup> Voluntary contributions limited to amount of benefits charged during 12 months preceding last computation date, LA; employer ER receives credit for 100% of any voluntary contributions made to fund, NC; reduction in rate because of voluntary contributions limited to five rate groups for positive-balance employer's, other limitations apply for negative-balance ER's, KS, and WI; surcharge of 10 percent added to the voluntary contribution, however, not permitted for employers who have not had an increase of at least 6 rate classes from the previous tax rate year, WA; not permitted for yrs. in which rate schedule higher than basic schedule is in effect or in which additional surtax or solvency rates apply, LA; not permitted for yrs. in which contribution rate schedules E and F are in effect or in which the emergency solvency surcharge applies, CA.

<sup>6/</sup> If the fund level is 60% or below the minimum safe level, then on January 1 of the following CY the wage base will be \$9,000, OH; the taxable wage base will range from \$12,000 to 19,000 depending on the amount of the employment security fund on Sept. 30 of each CY, RI.

<sup>7/</sup> If the trust fund balance, on September 30, is (1) less than, or equal to \$300 million, then the taxable wage base will increase by \$500 the next year; or (2) \$450 million or more, then the taxable wage base will be decreased by \$500; however the taxable wage base may not increase beyond \$10,500, or decrease to less than \$7,000, (for 2001 the wage base is \$7,000) MO.